Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Civil Rights & Judiciary Committee

HB 2453

Brief Description: Providing protections to residential tenants.

Sponsors: Representatives Macri, Thai, Lekanoff, Gregerson, Robinson, Ryu, Frame, Kloba, Peterson, Santos, Bergquist, J. Johnson, Davis and Pollet.

Brief Summary of Bill

• Specifies exclusive causes for eviction, refusal to renew, and termination of tenancy under the Residential Landlord-Tenant Act (RLTA) and makes other changes to rights and remedies.

Hearing Date: 1/24/20

Staff: Cece Clynch (786-7195).

Background:

Residential Landlord-Tenant Act.

The Residential Landlord-Tenant Act (RLTA) regulates the relationship between residential landlords and tenants, and includes provisions regarding the duties of tenants and landlords and remedies for violations of those duties. With some statutory exceptions, the rental of a dwelling unit for living purposes is generally covered under the RLTA.

<u>Duration and Termination of Tenancy</u>.

A tenancy for a specified time, sometimes also called a lease, is deemed terminated at the end of the specified period. A tenant who terminates a lease prior to the end of the lease period is liable for rent until the end of the period, although the landlord is required to mitigate his or her damages by attempting to re-rent the unit at a fair rental price.

Alternatively, premises may be rented for an indefinite time, from period to period, or month to month. Such a tenancy is automatically renewed for another period until terminated by either the landlord or the tenant by giving at least 20 days' written notice prior to the end of any of the

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months or periods of tenancy. Landlords planning a change of use or demolition or substantial renovation must provide 120 days' notice.

Enforcement Remedies.

The RLTA specifies the remedies available to a tenant for a landlord's violation of his or her duties. Generally the tenant must provide the landlord with written notice and a reasonable opportunity to fix or comply with the duty, the timeframe for which varies depending upon the type of problem. If a landlord includes prohibited provisions in a rental agreement, the tenant may recover statutory damages of up to \$500 together with costs of suit.

If the tenant is in unlawful detainer status, a landlord may bring a court action to evict the tenant. A tenant is in unlawful detainer status when he or she:

- holds over after the expiration of the specified term for which it is let to him or her. When real property is leased for a specified term or period, the tenancy is deemed terminated without notice at the expiration of the specified term or period;
- continues in possession of premises leased for an indefinite period, such as month-tomonth, after the end of any month or period when the landlord, more than 20 days prior to the end of the month or period, served notice requiring the tenant to quit the premises at the end of the month or period;
- continues in possession after a default in rent, and after a 14-day notice to pay rent or vacate has been served, without complying with the duty to pay;
- continues in possession after failing to comply with a duty of tenancy (other than to pay rent) and after a 10-day notice to comply or vacate has been served, without complying;
- permits waste upon the premises, or carries on an unlawful business, or maintains a nuisance and remains in possession after the service of a three-day notice to quit the premises;
- enters upon the premises without permission and without having color of title and refuses to leave after a three-day notice. Such a person may also be subject to criminal laws; or
- commits or permits any gang-related activity as prohibited by the RLTA.

Retaliation.

If a landlord initiates an eviction, increases the rent or other tenant obligations, or reduces services within 90 days after a good faith and lawful tenant complaint to a governmental agency or after an inspection by a governmental agency resulting from the complaint, a rebuttable presumption arises that the landlord's action was a reprisal or retaliatory. However, if at the time the landlord gives notice of termination the tenant is in arrears in rent or in breach of any other obligation there is a rebuttable presumption that the landlord's action was neither a reprisal nor retaliatory. In an action in which such a claim or defense is raised, the prevailing party is entitled to recover costs and reasonable attorneys' fees, except that neither party may recover attorneys' fees to the extent that their legal services were provided at no cost to them.

Nonjudicial Foreclosure.

Under the Foreclosure Fairness Act, tenants in possession of a residential real property at the time the property is sold in a nonjudicial foreclosure sale must be given at least 60 days' written notice to vacate; the previous owner or an occupant who is not a tenant is entitled to 20 days' notice. Purchasers at a trustee's sale have a right to utilize the summary proceedings for unlawful detainer found in chapter 59.12 RCW, a chapter that is separate from the RLTA.

Summary of Bill:

Cause Required for Eviction, Refusal to Renew, and Termination of Tenancy.

A landlord may not evict, refuse to renew, or terminate any tenancy subject to the Residential Landlord-Tenant Act (RLTA), except for 13 enumerated causes:

- 1. failure to pay rent (14-day notice);
- 2. substantial breach of a material program requirement of subsidized housing, material term of rental agreement, or tenant obligation imposed by law (10-day notice);
- 3. committing or permitting waste or nuisance, unlawful activity that affects the use and enjoyment of the premises, or other substantial or repeated interference with the use and enjoyment of the premises (3-day notice);
- 4. owner, in good faith, seeks possession so that the owner or his or her immediate family may occupy the unit as the principal residence and no substantially equivalent unit is vacant and available (90-day notice);
- 5. owner elects to withdraw the premises from the rental market (120-day notice);
- 6. premises to be demolished, substantially rehabilitated, or change of use (120-day notice);
- 7. premises are condemned by a local agency (30-day notice, or less if continued habitation would subject the landlord to criminal or civil penalties);
- 8. service of notice to quit or vacate by the owner or lessor with whom the tenant shares the dwelling unit or access to a common kitchen or bathroom area (20-day notice);
- 9. rental agreement has expired, the landlord proffers a new rental agreement at least 30 days and no more than 90 days prior to the expiration, and the tenant does not sign;
- 10. chronic, harmful, and unjustified failure to pay rent (20-day notice);
- 11. transitional housing program expires, the tenant ages out of a program, or the tenant has completed a program and is no longer eligible (30-day notice);
- 12. intentional and knowing misrepresentation of material information on the tenant's application which makes the tenant ineligible for a program or subsidy (30-day notice); and
- 13. other good cause which constitutes a legitimate economic or business reason not covered above (60-day notice).

Notices must identify the facts and circumstances that support the cause or causes with specificity. With respect to any incidents alleged, and to the extent known and available to the landlord at the time the notice is issued, the landlord must identify the evidence he or she will rely upon; however, the landlord is allowed to present other evidence regarding the allegations within the notice where the evidence was unknown or unavailable at the time the notice was issued. The landlord is not required to present all the evidence within the notice or to press all of the causes alleged in the notice.

Occupants.

Where a tenant has permanently vacated for reasons other than termination by the landlord, and occupants coresided with the tenant prior to and up to the tenant's vacation with the landlord's approval, the landlord is required to provide a 15-day notice upon the remaining occupants offering to allow them to continue the tenancy. In the event that the occupant does not accept, the landlord may commence an unlawful detainer action.

A landlord may not unreasonably withhold approval from a potential occupant, and shall approve or disapprove on the same basis that the landlord approves or disapproves of any new tenant.

Where the tenant seeks to coreside with a potential occupant in order that the tenant may provide care to the occupant because of the disability of the occupant, the landlord is prohibited from considering the potential occupant's income and credit in isolation. The landlord is not precluded from denying coresidency where it would violate applicable occupancy standards set forth in state or local law.

These new provisions regarding occupants are not applicable to subsidized housing.

Enforcement Remedies.

Landlords acting in bad faith in violation of the section specifying exclusive causes and the landlord's responsibilities with respect to occupants shall be held liable in a civil action up to four and one-half times the monthly rent together with court costs and reasonable attorneys' fees. The existing statutory damages available for inclusion in the rental agreement of prohibited provisions is increased from \$500 to one month's rent or treble damages, whichever is greater.

Conforming Sections and Definitions.

Other sections are amended to reflect the new section spelling out the only causes cognizable under the RLTA:

- Language in the RLTA is stricken which allows a landlord to terminate a periodic or monthly tenancy with 20-days' notice.
- Language in the RLTA is stricken which provides that where premises are rented for a specified time the tenancy shall be deemed terminated at the end of the specified time.
- The definition of "unlawful detainer" found in a chapter separate from the RLTA, chapter 59.12 RCW, and which is applicable to tenancies under the RLTA as well as other tenancies, is amended to refer to this new section.

The terms "immediate family," "subsidized housing," and "transitional housing" are defined in the RLTA.

Retaliation.

Language creating a rebuttable presumption in favor of the landlord is stricken. Also stricken is language which prohibits the recovery of attorneys' fees to the extent that the legal services were provided at no cost to the party.

Nonjudicial Foreclosure.

An exception is included in the section of the Foreclosure Fairness Act that authorizes use of the summary proceedings of chapter 59.12 RCW. The exception provides that protections afforded to a tenant or an occupant pursuant to the RLTA survive the sale.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.